25X1

2 May 1961

25X1

Copy No. C

CENTRAI

INTELLIGEN

BULLETIN



25X1

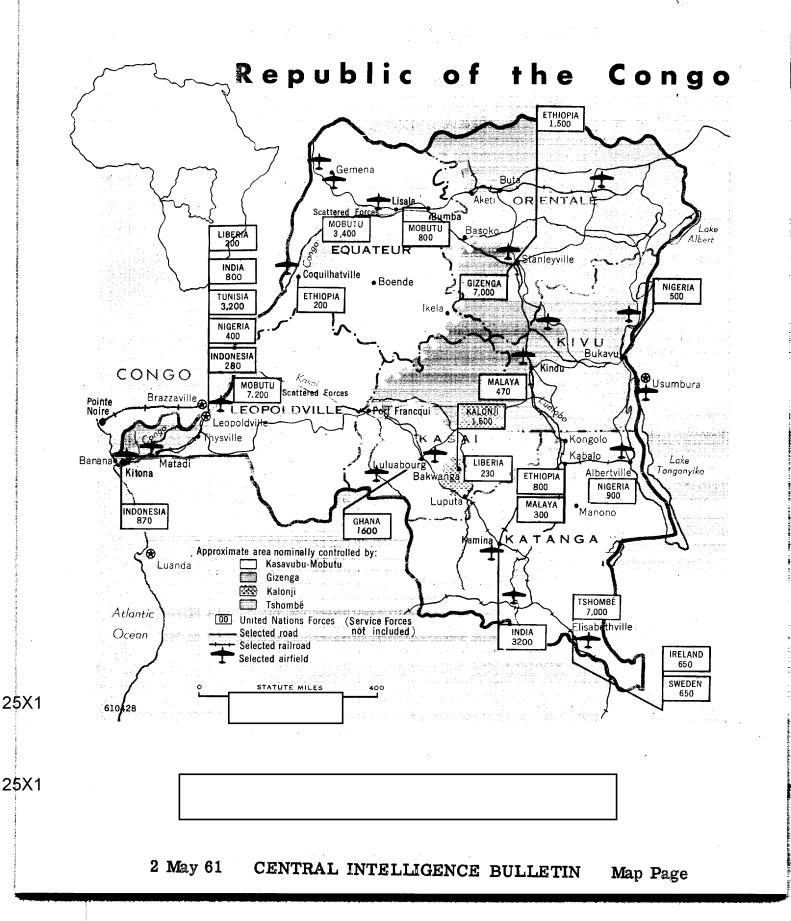
State Dept. review completed

TOP SECRET

CENTRAL INTELLIGENCE BULLETIN

| CONTENTS | | | | | |
|----------|---|------|--|--|--|
| | | | | | |
| 2. | Congo: Katangan Interior Minister Munongo ready to assume Tshombé's post but wants to avoid charges of usurpation. (Page tt) | | | | |
| 3. | USSR: Khrushchev set no precise deadline on solving Berlin problem in conversation with West German Ambassador Kroll. (Page 11) | | | | |
| | | 25X1 | | | |
| 5. | 5. South Korea: Government party and cabinet changes planned to strengthen regime's legislative support. (Page 111) | | | | |
| 6. | 6. Afghanistan: Kabul hopes for \$300,000,000 from USSR, \$200,000,000 from US, for its Second Five-Year Plan. (Page tit) | | | | |
| | | 25X1 | | | |
| L | | | | | |
| | | | | | |
| | • | | | | |
| | | | | | |
| | 25X1 | | | | |

Next 1 Page(s) In Document Exempt



*Congo: The authorities in Katanga remain in a state of confusion over Tshombe's continued detention. Interior Minister Munongo reportedly is anxious to take over the leadership of the government publicly, but fearing charges of usurpation is reluctant to move without Tshombe's concurrence. The American Consulate reports that UN officials in Elisabethville appear willing to deal with Munongo in the belief that he is basically more reasonable than Tshombé. followers are apprehensive lest word of his incarceration trigger an uprising among antiregime Baluba tribesmen in southern Katanga.

OK

25X1

*USSR-Berlin: (Khrushchev used his 24 April conversations with West German Ambassador Kroll to offset the impression that he was committed to a showdown on the Berlin and German questions before the Soviet party congress in October. While strongly emphasizing his determination to achieve a solution during 1961, Khrushchev told Kroll that the bloc had set no precise deadlines and would be willing to wait until the West German elections and "possibly" until the party congress before convening a bloc peace conference to sign a separate treaty with East Germany. Although Khrushchev failed to mention East-West negotiations prior to a remarks over the past several bloc conference, his months suggest that he still expects a further round of negotiations and recognizes that the process of arranging new talks will take longer than he anticipated and could extend beyond next fall. He also told Kroll that he was convinced the West would not risk nuclear war over Berlin and that the USSR could cope with any economic sanctions or a break in diplomatic relations. He assured Kroll that the prospect of a showdown over Berlin "need not affect negotiations already begun with the US" but that he was skeptical over such negotiations and, in particular, he believed the US was not seriously interested in disarmament.

25X1

25X1

25X1

25X1

2 May 61

DAILY BRIEF

ii

25X1

| | Approved F | ase 2003/04/17 : CIA-RDP79T00975A06 | 25X1 05700060001-2 | 25X1 |
|--------------|---|--|---|--|
| | porters are plant Democratic party May, in an effort ernment. Chron- impeded Chang's confidence in the | Prime Minister Chang Myon and a major reorganization of the and a cabinet reshuffle, probable to strengthen legislative support factionalism in the government legislative program and is erodical administration. Maneuvering in the aggravated intraparty differen | ne ruling oly about mid- rt for the gov- nt party has ing public n anticipation | 25X1 |
| 25 X1 | selection of new opportunities he | party and cabinet officers may g needs to strengthen party unity. | give Chang the | 25X1 |
| | bassador Byroad will require \$750 Five-Year Plan (reports indicated | Afghan Foreign Minister Naim e that his government now estime,000,000 in foreign exchange for (1961-1966)considerably more l. Kabul looks to Moscow for the 100,000but Naim expressed hor | ates that it tis Second than earlier e major con- | 25X1 |
| | to \$200,000,000 v scope is not real that these figures | vould be provided by the US. A istic for Afghanistan, and it sees have been inflated in order to itsee American contribution. Nego | plan of this ms likely increase the | 23A 6 |
| 25X1 | | e, continued during Prime Ministoscow, are still "far from settle | | 25X1 |
| | | | | |
| | 2 May 61 | DAILY BRIEF | iii | |
| | | | 25X1 | AND THE RESIDENCE OF THE SECOND S |

Next 3 Page(s) In Document Exempt

25X1

South Korean Ruling Party Being Reorganized

The ruling Democratic party has substituted a single executive for the collective leadership system in operation since the party was founded in 1955. Prime Minister Chang Myon has been named party president, subject to ratification by the Democratic National Convention. The concentration of power in a single executive offers the opportunity for more vigorous leadership but is less suited to the reconciliation of party conflicts.

The present intraparty struggle is over the post of secretary general. Leaders of the group of younger party members fear that if the post goes to Chang's chief political lieutenant, minister without portfolio O Wi-yong, they will be deprived of all influence by the "old guard." Two other likely candidates, former Home Minister Yi Sang-chol and Representative Hong Ik-pyo, while considered members of the elder group, might be acceptable to "young faction" leader Yi Chol-sung. Yi is believed to have some control over about 30 assemblymen, enough to threaten the administration's 129-seat majority in the lower house, which has a membership of 233.

The pending cabinet reorganization—the third since Chang took office last August -- is a continuation of a January shakeup in which the "young faction" and some lesser groups were brought into the government. Completion of the cabinet reorganization is being delayed until the administration's supplemental budget bill passes the legislature. It appears likely that additional changes will be limited to only a few ministerial posts and some vice-ministerial positions. Prime expects to Minister Chang replace the ministers of education, transportation, and home affairs. All three incumbents can be dismissed without political repercussions. At least one of the vacated ministerial slots probably will go to the "young faction." If Chang is successful in establishing his control of the government party, he would be in a stronger position to carry out some of the needed reforms supported by the United States.

25X1

25X1

2 May 61 CENTRAL INTELLIGENCE BULLETIN Page 3

Decisions on Afghan Second Five-Year Plan Due Soon

The decisions now being made by Afghan Prime Minister Daud on the size and content of the Second Five-Year Plan, which is to begin in September, will help determine the extent of Soviet economic assistance and whether or not Afghan economic dependence on the USSR will increase further over the next five years.

Tentative plans, some of them conflicting, were drafted during Daud's three-month absence in Europe for medical treatment. He alone has the authority to resolve differences among the various ministries and make final decisions on the basic character of the plan.

Most important will be Daud's attitude toward the recommendations of the Soviet advisory team that worked in the Ministry of Planning in January and February. Catering to Daud's desire for faster development, the Soviet advisers estimated an optimistically high rate of growth for export earnings. If expectations of such high earnings influence Daud to approve a large plan and Afghan exports actually earn much less, as seems likely, Kabul would be unable to service its debts and pay for the later stages of the plan. This could make Afghanistan even more dependent on the USSR, its chief creditor, for further assistance to refinance the Second Five-Year Plan.

The Soviet team also recommended increases in Afghan production of low-quality export commodities, such as cotton and wool, which are likely to be marketable only in the Communist bloc. Should Daud ignore Western recommendations to improve the quality of Afghan exports to make them competitive in convertible currency markets, this would indicate willingness to become increasingly dependent on Soviet barter

trade.

25X

25X1

25X1

2 May 61 CENTRAL INTELLIGENCE BULLETIN Page 4

Next 1 Page(s) In Document Exempt

Approved For Release 2003/04/17: CIA-RDP79T00975A00\$700060001-2 THE PRESIDENT The Vice President Executive Offices of the White House The Special Assistant for National Security Affairs The Scientific Adviser to the President The Director of the Budget The Director, Office of Civil and Defense Mobilization The Director, National Aeronautics and Space Administration Chairman, Board of Consultants on Foreign Intelligence Activities The Department of State The Secretary of State The Under Secretary of State The Director, International Cooperation Administration The Deputy Under Secretary of State for Political Affairs The Deputy Under Secretary of State for Administration The Counselor and Chairman of the Policy Planning Council The Director of Intelligence and Research The Treasury Department The Secretary of the Treasury The Department of Defense The Secretary of Defense The Deputy Secretary of Defense The Secretary of the Army The Secretary of the Navy The Secretary of the Air Force The Assistant Secretary of Defense (International Security Affairs) The Assistant to Secretary of Defense (Special Operations) The Chairman, The Joint Chiefs of Staff Chief of Naval Operations, United States Navy Chief of Staff, United States Air Force Chief of Staff, United States Army Commandant, United States Marine Corps U.S. Rep., Military Committee and Standing Group, NATO Supreme Allied Commander, Europe Commander in Chief, Pacific The Director, The Joint Staff The Director for Intelligence, The Joint Staff The Assistant Chief of Staff for Intelligence, Department of Army The Director of Naval Intelligence, Department of Navy The Assistant Chief of Staff, Intelligence, Department of the Air Force The Department of Justice The Attorney General The Federal Bureau of Investigation The Director The Atomic Energy Commission The Chairman The National Security Agency The Director The United States Information Agency The Director The National Indications Center The Director

